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DEPARTMENT OF NATURAL RESOURCES

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Division of Oil, Gas and Mining

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Division Director

Outgoing
C0150025

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December 23, 2008

Elliot Finley, Resident Agent
Hiawatha Coal Company
P.O. Box 1240
Huntington, Utah 84528

Subject: 2007 Annual Report Review, Bear Canyon Mine, C/015/0025, Task ID # 3056
Outgoing File

Dear Mr. Finley:

The Division staff has completed the 2007 Annual Report Review. Enclosed is a copy of the review for Bear Canyon Mine, C/015/0025 completed on December 23, 2008.

Thank you for your diligence in completing the Annual Report. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron Haddock
Permit Supervisor

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Enclosure

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2007 Annual Report Review

Permittee:	C. W. Mining Company dba CO-OP Mining Company	
Mine Name:	Bear Canyon Mine	
Permit Number:	C/015/025	
Date Report Received:	July 28, 2008 Hard Copy @ Price Office	
Assigned Reviewer:	Peter Hess, En Sci III	Date Completed July 30, 2008
	Ingrid Wieser, Biology	December 23, 2008

Instructions: The assigned inspector will review the Annual report during the third quarter complete inspection and provide a written determination (finding) on how the mine has or has not met the permit requirements for reporting. If the report is deficient or remedial action is required to obtain compliance, this should be noted and the mine lead notified. A copy of this review will be filed with the Inspection Report. Should any of the sections require additional technical analysis, the inspector will notify the permit supervisor so that it can be scheduled during the 4th quarter.

SECTIONS TO REVIEW

SUBMITTED
YES NO NA

FINDINGS

Cover Sheet	X	<input type="checkbox"/>	<input type="checkbox"/>	A cover sheet for the 2007 Annual Report was provided.
General Information	X	<input type="checkbox"/>	<input type="checkbox"/>	The submitted general information appears complete and adequate.
Identification of other Permits	X	<input type="checkbox"/>	<input type="checkbox"/>	MSHA identification numbers for the #3 and #4 Mines and the Bear Canyon surface facilities are identified, as are the DAQ / Approval Order permit and the UPDES permit number.
Annual Impoundment Certification	X	<input type="checkbox"/>	<input type="checkbox"/>	Annual Impoundment certifications for ponds A, B, C, and D were conducted by Mr. Mark Reynolds, Utah P.E. and Mr. Shawn Baker on May 14, 2008. None of the ponds had any sign of structural instability or other hazards. All ponds were noted as having an adequate sediment storage volume remaining below the 60% cleanout elevation. The reports are P.E. certified by Mr. Reynolds.
Annual Overburden, Spoil, Refuse, Floor, etc. Certified Report	<input type="checkbox"/>	X	<input type="checkbox"/>	There are no refuse piles at the Bear Canyon site. Any reject generated at the tippie / processing plant is hauled to the Hiawatha Mine Complex for placement and disposal.
Annual Technical Requirements (Commitments)				
Climatological	X	<input type="checkbox"/>	<input type="checkbox"/>	Rainfall and snow data was submitted for the 2007-monitoring year.

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Subsidence	X	<input type="checkbox"/>	<input type="checkbox"/>	The Permittee submitted data for monitoring points SUB500 through SUB543 as part of Appendix B, Reporting of Technical Data. There was no analysis of the data, and the monitoring points do not correlate with PLATE 5-3, SUBSIDENCE MAP. PLATE 5-3 is a CONFIDENTIAL map. Additional monitoring data was submitted on August 5, 2008, (monitoring points SUB 1-49) which are depicted on a second PLATE 5-3. Long wall panel #1 in the Tank seam did not see secondary extraction initiated until November 2007, therefore the monitoring points 25A-K established to determine the validity of the Malecki deformation model for the Bear Canyon Tank seam will not provide any data until the 2008 flyover of that area. The new data appears to be questionable in that areas where a -7.97 feet of deformation was reported (SUB31) a seam thickness (Tank seam) of 7.2 feet was approximated from borehole data obtained from PLATE 6-4. Overburden in section 19 is about 1100 feet. Caving of the primary roof above the coal seam apparently filled none of the void created by extracting the 7.2 feet of coal. This is impossible. The data submitted 8/5 therefore appears questionable. Other data points also report excessive amounts of deformation where only 7 feet of coal has been removed. Other data points report either heave or deformation where no mining has yet occurred. The 2007 Annual Report is therefore deficient. PLATE 5-3A Subsidence / Raptor Map is not contained in the Price copy of the 2007 Annual Report as it is considered CONFIDENTIAL.
Vegetation monitoring	<input type="checkbox"/>	X	<input type="checkbox"/>	The permit commitments VEGETATION MONITORING PROCEDURES and DETAILED REVEGETATION PLAN requirements are not applicable to the 2007 Monitoring Year.
Raptor Survey	<input type="checkbox"/>	X	<input type="checkbox"/>	The Permittee submitted and received a Division approval for the permit required golden eagle mitigation plan, (Task ID #2876) on November 28, 2007. The 2007 Raptor Survey information was not submitted with the Price office copy of the 2007 Annual Report. The information should be reviewed as a SPECIAL PROJECT during the fourth quarter of 2008.*See below
Soils Monitoring	<input type="checkbox"/>	X	<input type="checkbox"/>	
Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	X	A Special Condition of the State mining permit is the required submittal of quarterly surface and ground water monitoring data in an electronic form. These files are then uploaded into the DOGM electronic data base for permanent record keeping. The Permittee is current relative to these required electronic submittals.
Geological/Geophysical	<input type="checkbox"/>	X	<input type="checkbox"/>	
Engineering	<input type="checkbox"/>	X	<input type="checkbox"/>	
Non-Coal Waste	<input type="checkbox"/>	X	<input type="checkbox"/>	All non-coal waste is hauled off the permit area for disposal in the Emery County landfill.
Abandoned Underground Equipment	<input type="checkbox"/>	X	<input type="checkbox"/>	The Division is not aware of any mining equipment being abandoned in the Bear Canyon underground workings during 2007.
AVS; Legal/ Financial Update	<input type="checkbox"/>	X	<input type="checkbox"/>	Appendix "C" contains a receipt for \$12.00. Chapter 1 of the MRP contains the corporate officers and directors for C.W. Mining Company. (approved in 2005).

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Mine Sequence Map	X	<input type="checkbox"/>	<input type="checkbox"/>	PLATES 5-1A, BLIND SEAM WORKINGS, 5-1B, HIAWATHA SEAM WORKINGS, and 5-1C, TANK SEAM WORKINGS show the Mine workings for each seam, however, based on the maps, it is not possible to determine what areas saw development and retreat during 2007. Although the maps are P.E. certified by Mr. Mark Reynolds, they are not felt to be adequate. No analysis of the information contained on these maps has been submitted.
Other Information	X	<input type="checkbox"/>	<input type="checkbox"/>	The commitment relative to CULTURAL RESOURCES as listed in the General Information form set up by the DOGM states that this commitment was acted on in 2007, yet no information relative to this permit commitment has been submitted. WILDLIFE AWARENESS PROGRAM; THE Permittee did not provide information as to how, when or where employees were made aware of the vulnerability of local wildlife and the avoidance or harassment or unnecessary activity near wildlife. No documentation of new employees attending the UDWR film "Coal Mining and Wildlife" was submitted. The Permittee has not provided any documentation that these permit commitments are being met in the 2007 Annual Report, and therefore, the 2007 AR is felt to be deficient.

Raptor Survey: The Report includes a list of 2007 Raptor nests. It is not clear who is responsible for gathering the data, but it is assumed it was collected by DWR. The List includes Nest number, species, type of habitat and 2007 status. However, the report does not include a map of the nest locations or indicate the location of the nests or their proximity to the mine area. This report is insufficient to determine the mining effects on local raptors. Based on GIS data given to the Division by DWR, six active raptor nests and two tended nests were within or adjacent to the mine permit area for the 2007 survey year. Forty- six inactive, or unfound nests were also listed as in or adjacent to the mine area. In the list submitted by the permittee, some nests (either previous sites or current nest sites) are not listed which are included in DWR's 2007 survey. Of the unlisted nests, Nest 121, an active prairie falcon nest needs to be included in the survey. This report is deficient and needs to include information that indicates the Division and the Permittee is aware of the number and location of active and tended nests.

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